



June 9, 1997

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SBC Communications Inc.
1401 I Street, N.W.
Suite 1100
Washington, DC 20005

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JUN - 9 1997

Federal Communications Commission
Office of Secretary

Mr. William F. Caton
Acting Secretary
Federal Communications Commission
1919 M Street, NW, Room 222
Washington, DC 20554

Dear Mr. Caton:

Re: CC Docket No. 96-149 - *Petition for Declaratory Ruling Regarding the Joint Marketing Restriction in Section 271(e)(1) of the Communications Act of 1934, as amended by the Telecommunications Act of 1996*

On behalf of SBC Communications Inc., please find enclosed an original and six copies of its "*Opposition to Petition for Declaratory Ruling of MCI Telecommunications Corporation*" in the above proceeding.

Please stamp and return the provided copy to confirm your receipt. Please contact me should you have any questions or require additional information concerning this matter.

Sincerely,

Todd Silbergeld FOR

Todd Silbergeld
(202) 326-8888

Enclosure

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Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

JUN - 9 1997

Federal Communications Commission
Office of Secretary

In the Matter of)

MCI TELECOMMUNICATIONS CORPORATION)

Docket No. 96-149

Petition For Declaratory Ruling)

Regarding the Joint Marketing)

Restriction in Section 271(e)(1) of the)

Communications Act of 1934, as amended)

by the Telecommunications Act of 1996)

**OPPOSITION OF SBC COMMUNICATIONS INC. TO PETITION
FOR DECLARATORY RULING OF MCI TELECOMMUNICATIONS CORPORATION**

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June 9, 1997

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

In the Matter of

MCI TELECOMMUNICATIONS CORPORATION

Docket No. 96-149

Petition For Declaratory Ruling
Regarding the Joint Marketing
Restriction in Section 271(e)(1) of the
Communications Act of 1934, as amended
by the Telecommunications Act of 1996

**OPPOSITION OF SBC COMMUNICATIONS INC. TO PETITION
FOR DECLARATORY RULING OF MCI TELECOMMUNICATIONS CORPORATION**

SBC Communications Inc. ("SBC") by its attorneys hereby submits this opposition on behalf of its affiliates and subsidiaries, including Pacific Bell and the other Pacific Telesis Group companies, to MCI Telecommunications Corporation's ("MCI's") Petition for Declaratory Ruling ("Petition") regarding the joint marketing restriction imposed on large interexchange carriers ("IXCs") by §271(e)(1) of the Communications Act of 1934, as amended by the Telecommunications Act of 1996 ("the Act"). The Commission should decline to provide the interpretation requested in the Petition, and instead should rule that the materials used by MCI violate §271(e)(1) and the First Report and Order in this Docket.¹

¹ Implementation of the Non-Accounting Safeguards of Sections 271 and 272 of the Communications Act of 1934, as amended, CC Dkt. 96-149, First Report and Order and Further Notice of Proposed Rulemaking, 5 Comm. Reg. (P&F), 696 (1996) ("Order").

As a preliminary matter, it should be noted that there is currently pending a petition for reconsideration ("PFR") of the Order on the subject of the Commission's interpretation of §271(e)(1).² The Commission's decision on that PFR may modify its interpretation of joint marketing under §271(e)(1), and it would be appropriate for the Commission to rule on the pending PFR before ruling on the Petition. However, since MCI's practices are not consistent with the Order as it currently reads, the Commission need not wait until after ruling on the PFR to decline to rule as MCI requests.

I. MCI'S REPRESENTATION OF THE COMMISSION'S DETERMINATION IN THE ORDER IS INCOMPLETE AND MISLEADING.

In the Petition, MCI lists specific restrictions that the Commission imposed on large IXCs' marketing activities.³ MCI argues that the items listed are the "only express constraints" (emphasis in original) in the Order on IXC joint marketing, and that "this category of restricted marketing undertakings should not be enlarged".⁴ While MCI undoubtedly would like to see the Commission rule that only the specific activities listed are prohibited by §271(e)(1),⁵ so that MCI would be free to engage in any other activities it chooses, that is not what §271(e)(1) and the Order say.

Section 271(e)(1) says that large IXCs may not "jointly market" resold local and long distance services. Congress did not limit the definition of "jointly

² US West Petition for Reconsideration at 5-7.

³ Petition at 2-3.

⁴ *Id.* at 3.

⁵ As will be shown below, even if the listed activities were all that is prohibited, MCI has violated those prohibitions.

market” to the activities listed by MCI. Nor did the Commission. Recognizing that the specific restrictions it adopted “may not address all of the possible marketing strategies that a covered interexchange carrier might initiate”,⁶ the Commission stated that it will “examine the specific facts closely to ensure that covered interexchange carriers are not contravening the letter and spirit of the congressional prohibition on joint marketing by conveying the appearance of ‘one-stop shopping.’”⁷

Marketing encompasses a variety of activities, before, during, and after an initial sale to a customer. Congress did not restrict its limitation on joint marketing by large IXC’s to activities prior to or during the initial sale, and the Commission should not do so either. “Customer care” or “customer service” cannot be used as a catch-all for all interaction with a customer after an initial sale, thereby eviscerating the joint marketing restriction. In the Order, the Commission defined “customer care” as a “a single bill for both BOC resold local service and interLATA services, and a single point-of-contact for maintenance and repairs.”⁸ That definition is much more limited than the broad definitions suggested by the marketing materials used by the large IXC’s. As SBC pointed out in its Reply to Comments/Oppositions to Petitions for Reconsideration of the Order, marketing, and sales can occur on every customer contact.⁹ The large IXC’s cannot be

⁶ Order, ¶282.

⁷ *Id.*

⁸ Order, ¶281.

⁹ SBC Reply to Comments/Oppositions to Petitions for Reconsideration at 2-5.

permitted to evade this congressionally-imposed restriction by calling all of their customer contacts "customer care" or "customer service."

The activities listed in the Order were not intended to be an exhaustive list of all precluded activities.¹⁰ Nor were they intended to be narrowly interpreted.¹¹ MCI attempts to limit the Commission's ability to enforce the Act by narrowly defining the proscribed activities and characterizing the listed activities as the only proscribed activities. MCI's attempt should be rejected.

II. MCI'S REPRESENTATION OF THE APPLICABLE POLICIES IS TOO NARROW

In support of its attempt to unreasonably narrow the restrictions imposed on IXC joint marketing, MCI cites to the policy favoring the opening of local markets to competition. It suggests that restrictions on marketing would have a "chilling effect" on IXCs, and that "[d]eterrence of entry into local markets by any carrier would harm consumers".¹² MCI fails to acknowledge that the policy favoring entry into local markets is not the only congressional policy underlying the Act, and that it does not override all other policies.

MCI completely ignores the policy specifically underlying the inclusion of §271(e)(1) in the 1996 Act. Congress recognized that "one-stop-shopping" can

¹⁰ Order, ¶282.

¹¹ Another example of activities that must not be too narrowly construed are customer calls. The Order states that resold local and long distance service may not be marketed through a single transaction, which is defined "to include, at a minimum, the use of the same sales agent to market both products to the same customer during a single communication." (emphasis added) (Order, ¶278.) This is the minimum definition of a single transaction, and should not be the only definition. A single transaction should also include handling all of the customer's telecommunications needs on a single call, whether the customer speaks with one or more than one customer service representative. Calls that deal with billing, maintenance, or repair matters alone would not be considered marketing calls, however.

¹² Petition at 3-4.

be a "significant competitive marketing tool" and enacted §271(e)(1) "to provide for parity among competing industry sectors"¹³ by limiting IXCs' marketing activities until the BOCs receive authorization to offer long distance service. The Commission acknowledged this congressional intent when it concluded that "Congress adopted the joint marketing restriction in section 271(e) in order to limit the ability of covered interexchange carriers to provide 'one-stop-shopping' of certain services until the BOC is authorized to provide interLATA service in the same territory."¹⁴ MCI's proposed "clarification" of the Commission's interpretation of §271(e)(1) is contrary to that purpose.

MCI says that deterrence of entry into local markets by the large IXCs through enforcement of the restrictions of §271(e)(1) would "harm consumers".¹⁵ However, consumers can be harmed in a variety of ways, including by giving the large IXCs an unrestricted opportunity to jointly market resold local and long distance service prior to BOCs' entry into the long distance market, thus reducing the effectiveness of competition in the long distance market. Congress recognized this when it enacted §271(e)(1) to ensure parity.

III. MUCH OF MCI'S MARKETING MATERIAL VIOLATES §271(e)(1)

With respect to the specific MCI marketing materials in question, including those attached by Pacific Bell to its complaint at the California Public Utilities Commission, those attached by MCI to its Petition, and that attached by

¹³ S. Rep. No.104-23, at 23 (1995).

¹⁴ Order, ¶277.

¹⁵ Petition at pp. 4.

Ameritech to its formal complaint, all except those included in Exhibit D to MCI's Petition violate §271(e)(1) as interpreted by the Commission in the Order.¹⁶ Each of the items in Exhibits A - C of MCI's Petition tells customers that they can receive customer care for both their long distance and resold local service from MCI through "one call for all your customer services needs". This is a violation of the prohibition on marketing itself as a single point of contact for resold local and long distance services. This violation is most obvious in the materials in Exhibit C to MCI's Petition used by MCI after the release of the Order.¹⁷ Each of these letters states:

One Company. One Bill. One Call.

And when you choose MCI for both local and long distance service, you get even more great benefits:

- One call for all your customer service needs
- One easy-to-read phone bill to pay each month
- One company to consult for all your communications

This language tells customers or potential customers that they need to place only one call for all their telecommunications needs. This is contrary to the prohibition in the Order against "stating or implying" that the large IXC can provide "'one-stop shopping.'"¹⁸

MCI is not saved by the fact that some of the materials were sent to existing MCI long distance customers. Section 271(e)(1) prohibits joint marketing

¹⁶ MCI suggests that there is no need to consider marketing materials used prior to release of the Order. (Petition at pp. 6-7.) However, MCI has not committed that it will not use such materials again, so the Commission should consider those materials as well as those used since December 24, 1996.

¹⁷ Petition at p. 8 fn. 20.

¹⁸ Order, ¶280.

and does not except existing IXC customers -- it prohibits joint marketing to any customer or potential customer until the BOCs receive authorization to provide long distance service. The Commission did not say in the Order that IXCs are prohibited from marketing themselves as a single point of contact for resold local and long distance service, except to their existing customers -- it said they are prohibited from marketing themselves as a single point of contact.¹⁹

MCI has also violated §271(e)(1) and the Order with certain newspaper ads, such as that attached to Ameritech's formal complaint, and with information it provides over the Internet.²⁰ Although MCI states in its Petition that the ad attached to Ameritech's formal complaint relates to its facilities-based local service, there does not appear to be any statement on that ad indicating that its offer of "volume discounts based on total spending" relates to only some of its local service offerings. Certainly no such disclaimer appeared on the San Francisco ad. MCI's Internet materials violate the prohibition against misleading the public by "stating or implying" that the large IXC "can provide 'one-stop shopping' of both services. Attachment 2 states that MCI customers will receive "one number to call to answer all [their] local and long distance questions." Attachments 3 and 4 are even more blatant -- they state explicitly that MCI will provide one-stop shopping

¹⁹ While the Commission said that the IXCs may provide customer service for both types of service on a single call after a customer subscribes to both types of service, the IXCs are not permitted to jointly market resold local and long distance services to customers of a single service. Nor are they permitted to jointly market resold local and long distance services, as opposed to providing customer care, to customers for both types of service. (Order, ¶178.) This distinction is the subject of US West's PFR of the Non-Accounting Safeguards Order.

²⁰ The ad attached to Ameritech's complaint is similar to an ad placed by MCI in San Francisco newspapers during April, 1997. See Attachment 1 for a copy of that San Francisco ad. See Attachments 2-4 for copies of the Internet material.

for customers' local and long distance telecommunications needs. None of these materials include any disclaimer regarding the limitations on one-stop shopping imposed by §271(e)(1) and the Order. The Commission should rule that MCI's marketing materials violate both §271(e)(1) and the Order.

IV. AT&T'S MARKETING MATERIALS ALSO VIOLATE §271(e)(1)

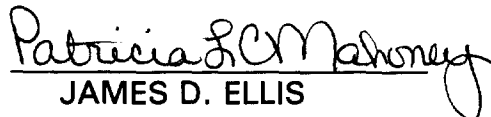
MCI is not the only large IXC that has used marketing materials that violate the spirit, as well as the letter, of §271(e)(1). Attachment 5 is an AT&T ad that states, "[n]ow the company that guarantees your calls across the country guarantees them across the street," and provides a single customer service number (1-800-ATT-4ALL). This suggests to customers that that number provides one-stop shopping for all of their telecommunications needs. Attachment 6 is a radio interview with an AT&T spokeswoman, who said "[w]hether they want local, long distance, . . . of which AT&T offers all, they can deal with one company for any combination of those services or all of them that they want." Again, this characterizes AT&T as the one-stop shop for all telecommunications needs. Nothing in either item explains the limitations of §271(e)(1) and the Order. Attachments 7 and 8 state that AT&T provides "a single number for customer service" and "one number to call to handle all of your order, billing, and maintenance needs." Again these clearly imply that a customer can one-stop shop with AT&T for local and long distance service and there is no disclaimer to the contrary. In addition, Attachment 8 tells customers to "Bundle your AT&T Long Distance Service and Local Service For Greater Savings," and that the "local and

long distance usage [will be] aggregated for volume discounts." Nothing describes any limitations on this bundling.

V. CONCLUSION

MCI's Petition, and the marketing materials attached to it, do not present a basis for the Commission to issue the declaratory ruling requested by MCI. The materials of MCI and AT&T instead show a disregard for both the letter and spirit of §271(e)(1) and the Order. The Commission should decline to rule as requested by MCI, and should instead issue a ruling stating that MCI's and AT&T's marketing materials violate §271(e)(1).

Respectfully submitted,



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ATTORNEYS FOR SOUTHWESTERN BELL
TELEPHONE COMPANY

June 9, 1997

By Carol Marie L.
New York Times

New York

Bob Devlin has five taxpayer calls in his life. Internal Revenue Service in Dallas. But the story husband who called could amend his tax return third time in the same one of his favorites.

The man had filed a return with his wife. They split. So he used to amend his return to "filing separately" to get a refund, rather than share his stay-at-home spouse when they reconciled amended joint returns called.

Finally, the IRS called Devlin. He'd been his wife yet again on

Most of the taxpayers who report revised income are e

couldn't get his third — another "married, separately" — in the month's deadline.

The man was out of to quote him the 10 days that related," De referring to deadlines for IRS form used to amend. "He was disappointed, check on a joint return to both parties. So the side between themselves split the proceeds."

Domestic turmoil

Only one bill.
Only from one telecommunications company.

MCI

OWN YOUR OWN

Coca-Cola, 7
Snapple, Fri

• TERRITORIES NOW
• FIRST TIME IN THE

No selling required. Will be present employment. Are
Locating Company. Min. Inv.
Work 2-4 hrs/wk. Ave.
earnings \$3,400/

CALL 24 HRS
1-800-738

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• Rosewood Reception
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EQUIP: (2) Vodavi P
Indigo's Challenges &
EQUIP: Micro-VU
FABRICATION EQUIP
Ford F-250, (2) Ford

PLUS UPCOMING AUCTIONS
Fax 'Request for Information'

FOR DETAILED

GREAT AUCTIONEERS
A DIVISION OF THE

Complete Telecommunications Bundling. Only from MCI.

Sure, San Francisco's local phone monopoly offers a monthly bill. But only MCI® can offer larger businesses a bill with all of their company's communications services on it. With volume discounts based on total spending. One contract and one contact, always at your service. Even the ability to know exactly what each one of your offices is spending. Now which bill would you rather receive every month? For more information, call 415-228-2500 or visit <http://www.mci.com/localservice>.

Is this a great time, or what? :-)

MCI

Advantages of MCI's Integrated Service

[MCI Local Service Options](#) | [Advantages of MCI's Integrated Service](#) | [What to Look For in a Local Provider](#) | [Network Reliability](#) | [Find Out More](#)

Now From Around the World to Just Around the Corner

Planning for tomorrow's business strategies requires a communications company, not just a phone service. The introduction of MCI Local Service helps you build the foundation for your corporation's future needs with services unlike those offered by other local service alternatives.



You'll receive:

- ☐ 24 Hour Customer Support - An MCI Account Manager dedicated to finding solutions to your business needs, plus one number to call to answer all your local and long distance questions.
- ☐ One Integrated Invoice - A combined invoice for all your local and long distance services.
- ☐ One Company - All your local and long distance voice, data, and video services from one source.
- ☐ The Highest Quality - With industry leading SONET architecture in most areas, we offer service over one of the most sophisticated and reliable networks ever built.
- ☐ Customized Local Service - Timesaving options and cost-control features that offer you sophisticated services.

☐ [Find Out More](#)

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What to Look For in a Local Provider

[MCI Local Service Options](#) | [Advantages of MCI's Integrated Service](#) | [What to Look For in a Local Provider](#) | [Network Reliability](#) | [Find Out More](#)

Now that you have a choice in your local telecommunications service, you need to know what to look for in a local provider. You also need to know that just one company is setting the standard in providing both local and long distance service - that company is MCI.

- ☐ Will your local provider offer one-stop-shopping for all of your telecommunications needs - including local service, long distance, Internet, paging and cellular - all from one company? MCI will.
- ☐ Will you be able to combine your local service and long distance usage to take advantage of volume discounts to reduce your overall costs? You will with MCI.*
- ☐ Will you receive an integrated invoice for local service and long distance service that is easy to understand and track and requires just one easy payment each month? With MCI you will.
- ☐ Will you have a dedicated account representative to serve all of your communications needs and offer better solutions for your business? With MCI the answer is Yes!
- ☐ Will you have a local service team of experts dedicated to giving complete attention to your local network needs? With MCI you will.
- ☐ Will your local service provider offer SONET fiber optic network architecture, providing the capacity, flexibility, and reliability needed for today's communications? With MCI, the answer is Yes!**
- ☐ Will your network be self-healing and proactively monitored for both local and long distance to guard your business against network outages - 24 hours a day, 365 days a year? With MCI it will.



With MCI Local Service, the answer is Yes.

As an MCI Local Service customer, you'll receive:

- ☐ An integrated, feature-rich set of service offerings
 - ☐ A single integrated invoice
 - ☐ Enhancement of your MCI long distance volume discount
 - ☐ End-to-end network trouble management
 - ☐ Simplified communications management
- ☐ [Find Out More](#)

* Cross-volume discounts not available where MCI furnishes local services utilizing resold facilities.

** SONET fiber optic network architecture available in select cities.

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About You

Connections

MCI

ATTACHMENT 4

MCI Local Service



- About MCI Local Service
- Service Availability
- Early Success
- MCI: Friends of the Community
- Insight to Local Competition
- Find Out More

[Now you have freedom of choice for local phone service.]

With the passing of the local telecommunications bill, you now have the right to choose a local carrier. And many people are selecting MCI Local Service.

When your company chooses MCI Local Service, you'll gain the benefits of one-stop shopping for all local and long distance voice, data and video services. Plus, you'll have the convenience of an integrated invoice that combines all of your local and long distance charges on one simple monthly statement. What's more, with MCI Local Service you'll get outstanding customer support, a reliable network, integrated communication services and monthly savings.

About MCI Local Service

MCI Local Service offers a variety of high-quality local telephone services over one of the most sophisticated and reliable networks ever built.

Service Availability

MCI Local Service is currently available in many cities across the United States, and will be available in additional cities soon. Find out here if MCI Local Service is available in your city.

Early Success

Many businesses are already enjoying the one-stop shopping convenience, integrated invoicing, and outstanding customer service that comes with MCI Local Service.

MCI: Friends of the Community

MCI sponsors a number of community events through the MCI Foundation, at the heart of which is a commitment to bringing opportunity and a better quality of life to communities.

Insight to Local Competition

MCI is working hard to bring local competition to cities across the U.S. In this section, you will find a wealth of information about the Telecommunications Act of 1996, the background behind the issues, and the legislation being passed to support it.

Find Out More

If you would like to request more information on MCI Local Service or to receive literature on our products, please fill out our information form, and we will help to determine the MCI Local Service options that meet your needs.

SEARCH**GO****Feedback****Online Tools**

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Competitrack, Inc.

7 West 22nd Street, New York, NY 10010 (212) 604-0200

Length: 30 Seconds First Run: LA-01/27/97

AT&T: Power

Master Code: ATTL-7287



(Music)



(Music/phone ringing)



VOICE OVER: A kind of power you never had before...



is finally at your fingertips.



Introducing AT&T...



local service for California.

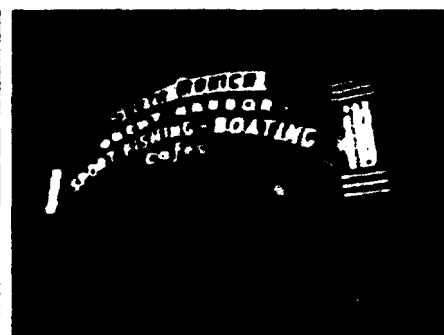
TEXT: PENDING TARIFF EFFECTIVENESS



Now, the company...



that guarantees your calls across the country...

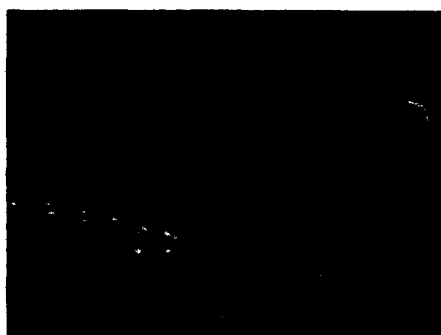


guarantees them across the street.

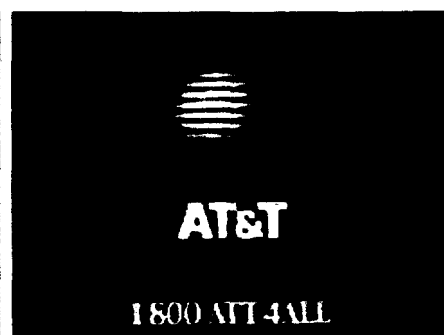
TEXT: GUARANTEES APPLICABLE TO BUSINESS CUSTOMERS ONLY.



Now you have a choice you never had before.



AT&T local service for California.



The power is here.

- END -

438/381
100621B.wptPACIFIC TELEVIS
NEWS
KCBS-AM
7:28 A.M.
01/31/87

John Britton

01/31/87

S.F.

CYNTHIA LOUIE (ANCHOR): Long distance giant AT&T will be taking another step toward offering local phone service tomorrow. Details from KCBS's Mike Pulcifer.

MIKE PULCIFER (REPORTER): When you think of AT&T, you think of punching in eight numbers for a long distance call. But starting tomorrow small- and medium-sized business customers will be offered AT&T local telephone service. AT&T spokeswoman Alice

Nagel says the company will promote its service as a type of one-stop shopping.

ALICE NAGEL (AT&T SPOKESWOMAN): Whether they want local, long distance, wireless, Internet access or home entertainment, of which AT&T offers all, they can deal with one company for any combination of those services or all of them that they want.

PULCIFER: At first the service is being offered only in California. But Nagel says AT&T is moving as quickly as possible to provide it nationwide. She says a major stumbling block is that agreements have to be negotiated with existing local service providers, something that, she says, takes a lot of time. Mike Pulcifer, KCBS All News 74.

- END -

481/381
100621C.wpt



[REDACTED]
San Francisco, CA 94117

Dear [REDACTED]:

Thank you for asking about AT&T local phone service. Enclosed is information which we hope will answer all of your questions about local service.

When you choose AT&T for your local service, you'll know what you're paying for with simple fair prices for your local service and a flat rate of just 8¢ a minute for local toll calls. In addition to AT&T quality and reliability, you'll have the added convenience of an easy-to-read bill; and one number to call for 24-hour customer service.

You'll find we offer calling features and service that suit your individual needs. In addition to basic service, AT&T provides Call Waiting, Auto Redial, Call Return, Caller I.D., Inside Wire Service, Three-Way Calling and much more. We also offer AT&T WorldNetSM Service online, Cellular Service,* and Digital Satellite TV.

To sign up for AT&T Local Service, just call 1 800 222-0300 and begin enjoying the convenience and reliability of AT&T for all your local calls.

Sincerely,

Michael Antieri

Michael Antieri
President - Pacific States

* Available in selected areas



*A Single Number for
Customer Service*

*One Convenient
Phone Bill*

*AT&T Quality &
Reliability*

*Simple Pricing at
Competitive Rates*



Suite 200
611 W. Sixth Street
Los Angeles, CA 90017

AT&T IS OFFERING LOCAL SERVICE!

Bundle your AT&T Long Distance Service and Local Service For Greater Savings!

A CHANGING TELECOMMUNICATIONS ENVIRONMENT

The Telecommunications Act of 1996 set in motion an avalanche of competitive activity and is going to create many more choices for customers! Along with these new choices comes the increased complexity and confusion generated by the relentless barrage of claims and counterclaims by numerous companies. Long Distance? Local Toll? Local? Wireless? Internet? Who can deliver the best end-to-end telecommunications solution to your business? The answer is clearer than ever - AT&T!

THE CONNECTION....

SOLUTIONS THAT MAKE SENSE FOR YOUR BUSINESS

AT&T will provide you with the right solution for your local calling needs. And, with AT&T you receive consistent world-class customer service, including one number to call to handle all of your order, billing, and maintenance needs. To help you better manage your communications needs and services, AT&T is dedicated to serving your business by extending to local service, the quality you have come to know and respect.

THE CONVENIENCE....

THE CHOICE....

Local Digital Link Service

- Available to customers with dedicated T1.5 facilities to AT&T's network
- Available 10/96 in California and 16 additional states
- Progressive Approach: Phase 0 10/96 - Outbound local calls
Phase 1 1Q97 - Inbound 800 calls
Phase 2 3Q97 - Outbound 800/888 calls
Phase 3 2Q98 - FULL SERVICE
(411,911,500,700,900,0-)

Business Local Service

- Available to customers with switched access to AT&T
- Available 4Q96 CA, CT//1Q97 NY, TX, IL, MI, GA

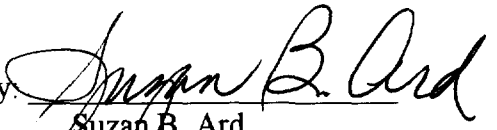
Features

- Per minute calls billed consistent with customer's current dedicated access long distance plan
- Per minute local usage fee
- Long distance features apply
- Local and long distance usage aggregated for volume discounts/term plans

- Billing increments and rate schedule stays consistent with incumbent LEC
- Calling Plans are available
- Line features and feature bundles will be billed at parity with incumbent LEC

CERTIFICATE OF SERVICE

I, Suzan B. Ard, hereby certify that the foregoing "OPPOSITION OF SBC COMMUNICATIONS INC. TO PETITION FOR DECLARATORY RULING OF MCI COMMUNICATIONS CORPORATION" has been served this 9th day of June, 1997 to the parties listed below.

By 
Suzan B. Ard

Frank W. Krogh
Mary L. Brown
Attorneys for
MCI TELECOMMUNICATIONS
CORPORATION.
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